Auditors' Initials and Date

Manufacturer: _____

Review Date(s): _____

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_____

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Manufacturer's Personnel	Position	Contact Information

Note: Bolded references indicate procedures/documents that must be performed/prepared by the system. With regard to the unbolded references, if the procedures/documents are performed/prepared by the system, the system will not be approved until those features either function in compliance with Nevada's regulatory scheme, are securely disabled in the system or are removed from the system. Underlined references indicate reports, records or source documents. The exact title for reports, records or source documents should be included in the comments column, where applicable.

General Controls

	Pass	Fail	N/A	Comments
1. Is the computer system, including application software, secured through the use of passwords or biometrics? Note: Other means may be approved by the Board upon submission. **IT MICS #3**				
2. Has the manufacturer supplied system documentation, including description of both hardware and software (including version numbers), operator manuals, etc? IT MICS #6				
3. Are user identification numbers/names and passwords controlled as follows unless otherwise addressed in this checklist:				
(a) When multiple identification numbers/names per application are used, is only one number active at a time and does the user name have a unique prefix/suffix to easily identify the users with multiple operator numbers? **IT MICS #7a**				
(b) On a quarterly basis, does the system prompt users to change passwords and then denies access if the change is not completed? Alternatively, are changes to passwords documented by the system? **IT MICS #7d**				
(c) Are passwords required to be at least four characters long?				
4. Are personnel access listings created which include at a minimum: (a) Employee name and title or position? (b) Employee identification? (c) Listing of functions the employee can perform or equivalent means of identifying same? <u>IT MICS # 9</u>				
5. If the system can be remotely accessed, do the controls only allow authorized vendor personnel access to the system? **IT MICS #15c** Document in the comments column what information the system records when it is remotely accessed. <u>IT MICS #16</u>				
6. Do the created reports include on all pages:				
(a) Document title?				
(b) Row/column headings?				

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	Pass	Fail	N/A	Comments
(c) Page number?				
(d) Version number of the current system software?				
(e) The date or time period of the activity?				
7. If the system backs-up daily data files, does the backup feature function properly? **IT MICS #5a**				
8. Is in-house developed or purchased software programs backed-up? Backup of purchased software is not required if software can be reinstalled by the vendor. **IT MICS #5b**				
9. Does the system directly store documents to unalterable media? If so, (a) Does the storage medium contain an exact duplicate of the original document? IT MICS #17a (b) Are all documents stored maintained with a detailed index containing the department and date? Regulation 6.040(1) & IT MICS #17b				
10. Is system exception information created (e.g. changes to system parameters, corrections, overrides, voids, etc.)? **IT MICS #8** Also, see step 55 below for Race & Sports specific exceptions.				
11. Are IT personnel denied access to live data files? **IT MICS #11c**				
12. If the system is capable of generating security logs (e.g. multiple attempts to log on, denial of access to users after three tries, changes to live data file, etc.), is this log accessible to IT supervisors for review? IT MICS #13 Describe items that the log lists.				
13. If the system accepts "other instrumentalities" are they in compliance with the chairman's letter approving the use of "other instrumentalities" in that the instrumentalities contain the name of the casino, city and state, dollar amount of the instrument (both alpha and numeric), date, time, sequence number, validation number, bar code, and expiration period or date when instrumentality will expire? **Regulation 12.100**				
REGULATORY COMPLIANCE **(The following steps, where applicable, should be verified/tested through the system)**				
In-House Race & Sports				
14. If the system uses an automated update process to maintain the time, is it accurate? **R/S MIC #2 Note 3**				
15. If the system records/processes transfers of chips/cash between banks, is the transfer authorized by a supervisor? R/S MICS #10				
16. Whenever a writer's station is open or closed, or				

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	Pass	Fail	N/A	Comments
when a writer is replaced, does the system document the writer's identity, date and time of the opening and closing of the station and the fact that the station was opened and closed? **R/S MICS #11 & #12**				
17. Upon accepting a wager, is a betting ticket created in duplicate as follows:				
(a) An original which is transacted and issued through a printer and given to the patron? **R/S MICS #13a** Note**:** This is not applicable for wagers placed using communications technology. However, see the requirements in this checklist for Account Wagering Systems".				
(b) A restricted copy which is recorded concurrently with the generation of the original ticket and is not accessible to book employees? **R/S MICS #13b**				
18. Does the information on the ticket include the terms of the wager and name & address of the book? **Regulation 22.050**				
19. Is a void designation branded on the ticket by the computer system when read by a ticket reader? Alternatively, can the ticket number be input into the computer to void the wager? **R/S MICS #14a**				
20. Is the cutoff time for event wagering set up or established in accordance with Regulation 22.010(15)? **R/S MICS #17**				
21. If a sports wager is placed after the start of an event as set up in the system, does the system not accept the wager? Alternatively, is "in progress" or a similar notation indicated on the original and each copy of the betting ticket, and does the computer system document the supervisor's approval? **R/S MICS #15 & #18**				
22. If a race wager is placed after the post time is entered into the system, does the system not accept the wager? **R/S MICS #16 & #18**				
23. With regard to voiding a race or a sports ticket subsequent to the cutoff time, is the system incapable of doing so or is a report produced which specifically identifies such wagers. **R/S MICS #19**				
24. Is the system incapable of establishing or changing a cutoff/starting time to a time that is earlier than the current time? **R/S MICS #20**				
25. Can a ticket not be written after the outcome of an event is entered into system? **R/S MICS #21**				
26. Can a ticket not be voided after the outcome of an event is entered into system? **R/S MICS #21**				
27. When entered, are the results properly reflected in the system? **R/S MICS #25**				

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	Pass	Fail	N/A	Comments
28. Is a paid designation branded on the ticket by the computer system when read by a ticket reader? Is the payment amount and date also printed on the ticket? **R/S MICS #26a** & **#27**				
29. Does the system acknowledge manually entered ticket numbers? **R/S MICS #29**				
30. If the system is designed to allow the cashing of affiliates' winning wagers, does the system produce records for both the cashing location and the location that accepted the wager? Do the records provide the information necessary for the location that accepted the wager to include the payout in its computation of gross revenue? Regulation 22.080(2)				
31. Are unpaid tickets purged from the system 30 days from the conclusion of the event (Or, longer if the house rules for the proposed installation allow for a longer period)? Regulation 22.080(3)				
32. Does the computer system prevent payment on the following types of tickets/vouchers:				
(a) Previously paid ticket/voucher?				
(b) Void ticket/voucher?				
(c) Losing ticket?				
(d) Unissued ticket/voucher? **R/S MICS #32**				
33. If the system records promotional payouts that are either deducted from gross revenue, or are greater than or equal to $100 and not deducted from gross gaming revenue, does the documentation maintained include the following:				
(a) Date and time?				
(b) Dollar amount/value of payout?				
(c) Reason for payout? R/S MICS #36a,b,c				
34. If the system records promotional payouts less than $100 that are not deducted from revenue, is documentation created to support bank accountability? R/S MICS #37				
35. For contests/tournaments that require an entry fee, does the system record entry fees, prize payouts, participant's wagering selections, and contest/tournament results? **R/S MICS #38** And, if the system generates entry fee and payout receipts, is the following information recorded:				
(a) Patron's name?				
(b) Date of entry/payout?				
(c) Dollar amount of entry fee/payout (both alpha and numeric)?				
(d) Name of contest/tournament? R/S MICS #39				
36. For contests/tournaments that do not require an entry				

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	Pass	Fail	N/A	Comments
fee, does the system record, prize payouts, participant's wagering selections, and contest/tournament results? <u>R/S MICS #38</u> And, if the system generates payout receipts, is the following information recorded:				
(a) Patron's name?				
(b) Date of payout?				
(c) Dollar amount of payout (both alpha and numeric)?				
(d) Name of contest/tournament? <u>R/S MICS #39</u>				
37. For all contests/tournaments, if the system summarizes contest/tournament fees and payouts on at least monthly basis, is the summary accurate? <u>R/S MICS #40</u>				
38. If the system produces a contest/tournament summary report, does it include the name of the event, date(s) of event, total number of entries, dollar amount of entry fees, total prize pool, the dollar amount paid for each winning category, and the names of each winner? <u>R/S MICS #42</u> Note: Disclosure of winners' names is at the discretion of management. As such, can the winners' names be suppressed?				
39. After supervisory approval, can the system indicate the amount of net cash that should be in each writer and cashier station? **R/S MICS #44 & IT MICS #4**				
40. Is a summary report created at the conclusion of each shift that includes the computation of cash turned in for the shift, and any variances between the cash turn-in and the amount of net cash that the computer system indicates should be in each station? <u>R/S MICS #45</u>				
41. Are supervisors that write tickets only allowed supervisory functions of approving over limit wagers and the voiding of tickets prior to post? **R/S MICS #48a & IT MICS #4**				
42. Are functions in the system segregated to disallow supervisor's who write tickets from voiding or authorizing over-the-limit tickets they write? **R/S MICS #48b & #48e and IT MICS #4**				
43. If the system produces a log of all tickets written by a supervisor which are subsequently voided and all not-in-computer voids, does the log indicate the supervisor's/writer's name and the name of the person authorizing the void? R/S MICS #48c & **IT MICS #4**				
44. Does the system prevent employees who perform administrative functions from writing or cashing tickets? **R/S MICS #49 & IT MICS #4**				
45. Can the printing or viewing of book reports/information be restricted by user group? **R/S**				

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	Pass	Fail	N/A	Comments
MICS #52 & IT MICS #4				
46. Does the system create documentation daily that includes at a minimum:				
(a) The ticket/voucher number?				
(b) The date/time of the transaction?				
(c) The type of wager?				
(d) The team/horse identification?				
(e) The amount of the wager/payout (by ticket, by writer/cashier and in total)?				
(f) Wagering activity by account (summary of account activity by transaction type and account balance)?				
(g) Future wagers (by ticket, by dates of events, in total by day, and in total at the time of revenue recognition)?				
(h) Unpaid winners/vouchers (by ticket/voucher and in total by day)?				
(i) Results (date/time of event per the cutoff time input to the computer, team names and team/horse identifications, and payout data)? [Including identification of race entrant finishing in a position for which a payoff is offered, Regulation 21.090(1)(b)]				
(j) A daily recap report to include:				
1) Date?				
2) Total:				
a) Cash write for the day?				
b) Futures written for the day?				
c) Futures brought back into revenue (today's events)?				
d) Accrual write: (a) less (b) plus (c)?				
e) Cash paid out on prior days' events?				
f) Cash paid out on today's events?				
g) Cash payouts for the day?				
h) Unpaid tickets for the day?				
i) Accrual payouts: (f) plus (h)?				
j) Unpaid winners brought back into revenue?				
k) Taxable revenue: (d) less (g) or (a) less (g)?				
l) Book (accounting) revenue: (d) less (i) plus (j)?				
R/S MICS #51 & #53a – j				
47. If an audit report is created that lists and totals the restricted copies of written tickets for at least three writers each in the race book and sports pool, does the total of the footed transactions trace to the total produced by the system? R/S MICS #57				
48. If an audit report is created that lists and totals the paid tickets for at least one writer, does the total of the customer copy of paid tickets trace to total produced by the system? R/S MICS #58				
49. If an audit report is created that lists and totals all cashed vouchers for a day, does the total of cashed				

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	Pass	Fail	N/A	Comments
vouchers trace to the total produced by the system? R/S MICS #59				
50. If an audit report is created that lists and totals the cash proceeds/disbursements for each writer/cashier, is it compared to the write and payouts to determine cash variances? R/S MICS #60				
51. If an audit report is created by the system that regrades winning wagers, does it function properly? R/S MICS #61a				
52. Are the components of the above "Taxable Revenue" in compliance with the definitions at NRS 463.0161, NRS 463.3715(1), Regulations 1.080, 1.085, 1.090, 6.110(3)(a) & (b) and 22.180?				
53. If a report is created that calculates the book reserve requirement does it comply with the following: (a) Amounts held by the book for the account of patrons? (b) Amounts accepted by the book as wagers on contingencies whose outcomes have not been determined? and (c) Amounts owed but unpaid by the book on winning wagers through the period established by the book for honoring winning wagers? Regulation 22.040(1)				
54. If the above report is not created, is the information available to separately calculate the reserve? Regulation 22.040(1)				
55. Are exception reports (sorted by exception type) created on a daily basis for propriety of transactions and unusual occurrences including:				
(a) Voids, past-post voids, past-post write?				
(b) Changes in odds, cut-off times, results and event data?				
(c) All supervisory approvals/overrides? **R/S MICS #53k**				
56. Is a daily personnel access listing created that includes at a minimum:				
(a) Employee name and title or position?				
(b) Employee identification?				
(c) List of functions employee can currently perform or equivalent means of identifying? **R/S MICS #53l & IT MICS #9**				
57. If a report is created that records the amount of race wagers by track, is it accurate? Regulation 21.090(4) and R/S MICS #78				
58. If a report is created to simultaneously record the following information from a live broadcast, is the information accurate:				
(a) Post time, as defined in Regulation 22.010(6)(a)?				
(b) Race start time?				

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	Pass	Fail	N/A	Comments
(c) The names and official finishing position, announced by the track, of each entrant finishing in a position for which a payoff is made or offered?				
(d) The official payoff results announced in the live broadcast? Regulation 21.090(1)				
59. If the system is configured for SAMs, is a report created that reconciles to the actual tickets, vouchers, and cash removed from the device? **R/S MICS #56c** & <u>d</u>				
60. If the system is used to assist in complying with <u>Regulations 22.061 & 22.062</u>, does the system function as designed?				
61. If the book places an aggregate payout limit for parlay cards are the following requirements met:				
(a) A sports pool, a sports pool and its outstation books, or a sports pool and its satellite books may limit the aggregate amount to be paid to winners on a parlay card in proportion to the amounts won, provided that the aggregate limit must not be less than the amount disclosed on the parlay card (the "base amount") plus twice the amount wagered on the parlay card at all establishments to which the aggregate limit applies?				
(b) When a sports pool knows or reasonably should know that actual payouts on a parlay card will be limited by an aggregate amount established under paragraph (a), the sports pool shall cease accepting wagers and making payouts on the parlay card. After the outcome of the final game, match, or event covered by the parlay card has been determined, the sports pool shall pay each winner at least that proportion of the payout amount stated on the parlay card that the aggregate limit bears to total payouts (including payouts made prior to the suspension of payouts) that would otherwise have been made but for the limit?				
(c) When a book ceases accepting wagers and making payouts on a parlay card under paragraph (b), the book may accept wagers on the parlay card on those propositions whose outcomes have not been determined if the parlay card, patron receipts, and related documentation are distinguishable from the card, receipts, and documentation as to which the book has ceased accepting wagers, in which case the parlay card shall be considered a different parlay card for purposes of this subsection?				
(d) If a book pays the winner of a parlay card wager more than 10 percent of the base amount established under paragraph (a) before the outcome of every proposition offered by the parlay card has been determined, the book must pay every winner of a wager on that parlay card the proper payout amount stated on the parlay card in full and without regard to any aggregate limit				

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	Pass	Fail	N/A	Comments
established under paragraph (a)? **Regulation 22.090(3)(a – d)**				
62. If the system records, increments and pays out progressive jackpots:				
(a) Is a log created that records the base amount and the amount of the jackpot at least once a day?				
(b) Are changes to the rate of progression noted in the system records?				
(c) If there is a limit for the progressive amount, does the system impose the limit correctly?				
(d) Does the system record reductions/corrections to the progressive amount? Regulation 5.110(2) & (3)				
63. Are statistical reports created by month and year-to-date which indicate total amount of wagers accepted, total amount paid out on winning wagers, the net amount won by the book and the win-to-write percentage for: (a) Each sport (e.g. baseball, football, etc.)? (b) Sports parlay cards? (c) Horse/greyhound racing? Regulation 6.040(2)(c) & R/S MICS #83				
64. If the race & sports system can process credit transactions, does the system comply with the requirements of the Cage and Credit Minimum Internal Control Standards and Regulation 6.120? R/S MICS #87 **Note**: The checklist for Cage and Credit should be used to test the credit functionality.				
65. If the system has player tracking capabilities, is it secured so as to prevent unauthorized access (e.g., changing passwords at least quarterly and physical access to computer hardware, etc.)? **R/S MICS #88 and IT MICS #4 & #7**				
66. Does the system only allow supervisory personnel to add or delete points to a player tracking account and does the system document such changes? **R/S MICS #89 & IT MICS #4**				
67. Are employees who redeem points for members precluded from having access to inactive or closed accounts without supervisory personnel authorization? **R/S MICS #90 & IT MICS #4**				
68. Are all changes to the player tracking system parameters documented by the system? **R/S MICS #92 & #93**				
69. If the system maintains a log of mail pays, does the log include date received, patron name and ticket number? R/S MICS #95				

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	Pass	Fail	N/A	Comments
70. Does the computer system validate & cancel a winning mail pay ticket by the system as a mail pay? **R/S MICS #96**				
Pari-mutuel Race and Sports A pari-mutuel book must also comply with NRS 463, Regulation 22 and the Race and Sports Book Minimum Internal Control Standards when not in conflict with, and if applicable to, the pari-mutuel operations. Regulation 26A.010**, Regulation 26A.040(2),** Regulation 26B.010**, Regulation 26B.040(2) & P/M MICS Note 3**				
71. Are all pari-mutuel wagers transacted through the pari-mutuel system? **P/M MICS #1** **Note**: In case of computer failure between the pari-mutuel book and the hub, no tickets may be manually written.				
72. Whenever a betting station is opened for pari-mutuel wagering or turned over to a new writer/cashier, does the writer/cashier sign on and does the computer document the casino name, station number, the writer/cashier identifier, and the date and time? **P/M MICS #2**				
73. Upon accepting a pari-mutuel wager, is a betting ticket created in duplicate as follows:				
(a) An original which is transacted and issued through a printer and given to the patron? **P/M MICS #4a** Note**:** This is not applicable for wagers placed using communications technology. However, see the requirements in this checklist for "Account Wagering Systems".				
(b) A restricted copy which is recorded concurrently with the generation of the original ticket and is not accessible to race and sports book employees? **P/M MICS #4b**				
74. Upon accepting a wager, does the betting ticket created contain the following:				
(a) An alpha-numeric ticket number?				
(b) Casino name and station number?				
(c) Race track, race number, horse identification or event identification, as applicable?				
(d) Type of bet(s), each bet amount, total number of bets, and total take?				
(e) Date and time? **P/M MICS #5**				
75. Does the system lock-out wagering at post-time as defined by Regulation 26A.020(15), Regulation 26B.020(10), **Regulation 26A.130(4), Regulation**				

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	Pass	Fail	N/A	Comments
26B.040(3) & Regulation 26B.130(2)?				
76. Is a void designation branded on the ticket by the computer system when a ticket reader is used? Alternatively, can the ticket number be input into the computer to void the wager? **P/M MICS #6a**				
77. Are future pari-mutuel wagers accepted and processed in the same manner as regular pari-mutuel wagers? **P/M MICS #7**				
78. When a winning ticket is verified using a ticket reader, is a paid designation branded on the ticket by the computer system? Is the payment amount and date also printed on the ticket? **P/M MICS #8a & #9**				
79. Does the system acknowledge manually entered ticket numbers? **P/M MICS #8a & #12**				
80. Does the computer system prevent payment on the following types of tickets/voucher:				
(a) Previously paid ticket/voucher?				
(b) Void ticket/voucher?				
(c) Losing ticket?				
(d) Unissued ticket/voucher? **P/M MICS #10**				
81. Whenever the betting station is closed or the writer/cashier is replaced, does the writer/cashier sign off the computer and does the computer document the casino, station number, the writer/cashier identifier, the date and time, and the cash balance? **P/M MICS #14**				
82. Is a summary report created at the conclusion of each shift that includes the computation of cash turned in for the shift, and any variances between the cash turn-in and the amount of net cash that the computer system indicates should be in each station? P/M MICS #15				
83. Does the system create documentation daily and does it include the following, at a minimum:				
(a) The ticket/voucher number?				
(b) The date and time of the transaction?				
(c) The type of wager?				
(d) The horse identification or event identification?				
(e) Amount of wagers (by ticket, writer/SAM, track/event, and total)?				
(f) Amount of payouts (by ticket, writer/SAM, track/event, and total)?				
(g) Tickets refunded (by ticket, writer, track/event, and total)?				
(h) Unpaid winners/vouchers ("outs") (by ticket/voucher, track/event, and total)?				
(i) Voucher sales/payments (by ticket, writer/SAM, and track/event)?				
(j) Voids (by ticket, writer, and total)?				

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	Pass	Fail	N/A	Comments
(k) Future wagers (by ticket, date of event, total by day, and total at the time of revenue recognition)?				
(l) Results (winners and payout data)?				
(m) Breakage data (by race and track/event)?				
(n) Commission data (by race and track/event)?				
(o) Purged data (by ticket and total)?				
(p) Wagering account activity (summary of each account's activity by transaction type and account balance)? **P/M MICS # 17 & #19**				
84. Does the system generate the following reports:				
(a) A daily reconciliation report that summarizes totals by track/event, including write, today's winning ticket total, total commission and breakage due the licensee, and net funds transferred to or from the licensee's bank account?				
(b) An exception report that contains a listing of all system functions and overrides not involved in the actual writing or cashing of tickets, including sign-on/offs, voids, and manually input paid tickets?				
(c) A purged ticket report that contains a listing of ticket numbers, description, ticket cost and value, and the date purged? **P/M MICS #17 & #20**				
(d) If an audit report is created that lists the restricted copies of written tickets, does the total of the footed transactions trace to total produced by the system?				
(e) If an audit report is created that lists the total of paid tickets that traces to the actual total of customer paid tickets?				
(f) If an audit report is created that lists the total of cashed vouchers that traces to the actual total of cashed vouchers? P/M MICS #33				
85. Does the daily reconciliation report compare to the daily revenue summary? P/M MICS #23				
86. Does the simulated cash turn-in from the test compare to the cash turn in per the pari-mutuel reports? **Note:** Beginning balance, (+) fills (draws), (+) net write (sold less voids), (-) payouts (net of IRS withholding), (-) moneybacks (paids), (=) cash turn-in. P/M MICS #24				
87. Does the system produce a gross revenue recap report to calculate gross revenue on a daily and month-to-date basis that includes the following totals:				
(a) Commission?				
(b) Positive breakage?				
(c) Negative breakage?				
(d) Track/event fees?				
(e) Track/event fee rebates?				
(f) Purged tickets? P/M MICS #27				

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	Pass	Fail	N/A	Comments
88. Are the components of the above gross revenue for off-track pari-mutuel race wagering in compliance with the definitions at NRS 464.005(1), NRS 464.045(3) and Regulation 26A.020(2), (4) & (5)?				
89. Are the components of the above gross revenue for off-track pari-mutuel sports wagering in compliance with the definitions at NRS 464.005(1), NRS 464.045(3), Regulation 26B.020(1) & (3), Regulation 26B.150 and Regulation 26B.200?				
90. For pari-mutuel sports wagering, is at least $1.05 returned for each dollar wagered? **Regulation 26B.040(6)**				
91. Is the amount wagered or won during a layoff bet by the book excluded from gross gaming revenue? Regulation 26C.200				
92. If a report is created that calculates the book reserve requirement does it comply with the following: (a) Amounts held by the book for the account of patrons? (b) Amounts accepted by the book as wagers on contingencies whose outcomes have not been determined? and (c) Amounts owed but unpaid by the book on winning wagers through the period established by the book for honoring winning wagers? Regulation 22.040(1)				
93. If the above report is not created, is the information available to separately calculate the reserve? Regulation 22.040(1)				
94. Does the system produce a report that reflects actual SAM (refers to a "self activated machine" that is used for placing wagers and includes betting kiosks) activity? The reports should have the total activity for winning tickets, vouchers (refers to a printed wagering instrument that has a fixed dollar wagering value that is redeemable for cash or cash equivalents) and cash. **P/M MICS #29c** & d				
95. If the off-track pari-mutuel system can transact credit transactions, does the system comply with the requirements of the Cage and Credit Minimum Internal Control Standards and Regulation 6.120? P/M MICS #35 **Note**: The checklist for Cage and Credit should be used to test the credit functionality.				
96. If the system includes pari-mutuel sports wagering:				
(a) Does the system include a fully redundant computer system?				
(b) Does the system receive and aggregate by pool all off-track pari-mutuel sports wagering information received separately from each of the pari-mutuel sports books?				
(c) Receive and report to each pari-mutuel sports book at periodic intervals, as approved by the				

Auditors' Initials and Date

	Pass	Fail	N/A	Comments

Manufacturer: _____

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chairman, all pool data compiled through the system?

(d) Report to each pari-mutuel sports book the results and payoffs after each sporting event that wagering was conducted?

(e) Provide accounting records and reconciliation reports as previously discussed?
Regulation 26B.120

Account Wagering Systems.

An account wagering system is defined as an electronic ledger wherein certain transactions relative to race and sports wagering are recorded.
Regulation 22.010(20) & Regulation 26C.010(17)

Note: For all types of account wagering, if the system allows wagering using communications technologies, the beta site must obtain the Chairman's approval for the technology? Regulations 22.130(1), 22.140(1) & (2) and 26C.140(1) & (2)

97.   For all types of account wagering, does the system automatically update the accounts after the results are entered? **R/S MICS #26b & P/M MICS #8b**

98.   For all types of account wagering if the system allows wagering using communications technologies, the wagering communications must be electronically recorded and retained for a period of 60 days. Can such recordings be made immediately available? **Regulations 22.140(9) & 26C.160(8)**

Note: The beta site must obtain approval from the Chairman for the method of recording the wagering communications.

99.   For all types of account wagering, are the account wagering rules made available through the system? **Regulations 22.147 & 26C.180**

100.   For all types of account wagering, does the system have a "secure personal identification" that is an encoded alpha-numeric character code through which the book may verify that a wager or account transaction was authorized by the patron? **Regulations 22.010(18),** 22.140(5)**, 26C.010(16) & 26C.160(3)**

Note: Other methods may be approved by the Chairman upon submission.

101.   For all types of account wagering, does the account wagering system record the date/time and amount of each of the following:

(a) Deposits? Which can be:

Auditors' Initials and Date

Manufacturer: _____   Review Date(s): _____

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	Pass	Fail	N/A	Comments
1) Cash deposits made directly;				
2) Personal checks, cashier's checks, wire transfers and money order deposits made directly or mailed;				
3) Credit instruments issued pursuant to Regulation 6.120 and in accordance with the Regulation 6.090 minimum internal control standards or the Regulation 6.100 internal control procedures, as applicable;				
4) Transfers from safekeeping or front money accounts otherwise held by the licensed gaming establishment excluding other race or sports wagering accounts;				
Debits from a patron's debit card or credit card, upon direct instructions of the patron, provided the use of such card has been pre-approved by the book and designated by the patron;				
5) Debits by electronic transfers of money from a monetary account controlled by a patron. The patron may be liable for any charges imposed by the transmitting and receiving entity and the charges may be deducted from the patron's wagering account; and				
Note: Other means may be approved by the Chairman upon submission.				
(b) Withdrawals?				
(c) Wagers placed and accepted (Note: This must include the wagering transaction number for pari-mutuel race wagers.)?				
(d) Payout on winning wager?				
(e) Service or other transaction related charge authorized by the patron?				
(f) Purchases of horse racing related merchandise and services requested by a patron?				
(g) Adjustments to the account? Regulation 22.160(1), (2),& (3) and Regulation26C.190(1), (2), (3)				
102. For all types of account wagering and for other than voice-only wagering communications technology:				
(a) Is a printable record of each transaction created?				
(b) If the printable record system is inoperable, does the system not accept wagers? **Regulations 22.145(9) & 26C.170(9)**				
103. For all types of account wagering, can a patron's account that has had no activity for 180 days only be accessed by supervisory personnel? **R/S MICS #33, P/M MICS #13 & IT MICS #4**				
104. For sports and non-parimutuel race wagering accounts, if the system is maintains account sign-up information, does the system record:				
(a) The patron's name, permanent home address (other than a post office box number), and home telephone number?				
(b) The patron's mailing address and, if the mailing address is not a post office box number and is a residence or place of business of the patron, the telephone number of the resident or place of				

Auditors' Initials and Date

Manufacturer: _____   Review Date(s): _____

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Version: _____

Account #: _____   Project #: _____

	Pass	Fail	N/A	Comments
business?				
(c) The patron's date of birth, a description and number of the identity credential examined and social security number, if available?				
(d) The method used to verify the patron's identity and residence, and a description, including the document number, of the identity credential examined?				
(e) The patron's approved credit limit or the amount of the patron's initial front money deposit?				
(f) The patron's account number with the book?				
(g) The date the patron's account with the book is opened? Regulation 22.140(6)(c)				
(h) That the patron has signed statements that comply with Regulation 22.140(6)(d)?				
(i) The name of the employee who verified the patron's identity and residence and who obtains and records the information on behalf of the book and the name of the supervising employee who witnessed the signature of the patron? Regulation 22140(6)(e)				
105. For sports and non pari-mutuel race wagering accounts, if the system allows wagering using communications technologies and the book allows non-Nevada residents to use the system, does the system not allow wagers after 96 hours from the creation of the account unless:				
(a) The patron places account wagers in person at the licensed Nevada gaming establishment in which the wagering account was established.				
(b) The patron places account wagers in person at another licensed Nevada gaming establishment through the use of communications technology specifically approved for such use.				
(c) The patron renews the account. Patrons may renew accounts for one and only one additional 96-hour period by appearing personally at the premises of the book prior to the expiration of the initial 96-hour period and signing a renewal form. Two employees of the book, at least one of whom must be a supervising employee, shall witness the patron's signature on the renewal form and each shall attest thereto by signing the renewal form. When the renewal period expires, the book shall accept no further wagering communications from the patron until the patron again complies with the provisions of Regulation 22.140(6)(a), (b) & (e). Regulation 22.140(7)				
106. For sports and non pari-mutuel race wagering accounts, if the system allows wagering using communications technologies, does the system record the secure personal identification assigned to the patron and the date/time and amount of each:				
(a) Deposit				
(b) Withdrawal				
(c) Wager placed and accepted including the wagering transaction number				
(d) Payout on winning wager				

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	Pass	Fail	N/A	Comments
(e) Charge for horse racing-related services or merchandise				
(f) Service or other transaction-related charge authorized by the patron				
(g) Adjustment to the account **Regulation 22.140(8)**				
107. Does the account wagering system:				
(a) For systems that use other than voice-only wagering communications technology, provide for the patron's review and confirmation of all wagering information before the wagering communication is accepted by the book? The system shall create a record of the confirmation.				
(b) Prohibit wagers from being changed after the patron has reviewed and confirmed the wagering information, and the specific wagering communication transaction has been completed?				
(c) Prohibit the acceptance of wagers after post time?				
(d) Prohibit a book from accepting an account wager, or a series of account wagers, in an amount in excess of the available balance of the wagering account?				
(e) Prohibit a book from accepting out-of-state sports wagers and out-of-state nonpari-mutuel horse race wagers?				
(f) Post payment on winning account wagers as a credit to the patron's wagering account as soon as reasonably practicable after the event is declared official?				
(g) Maintain a completely separate wagering account for pari-mutuel horse race wagers? Wagering accounts for pari-mutuel sports wagers, nonpari-mutuel horse race wagers and nonpari-mutuel sports wagers may be commingled in a single wagering account.				
(h) Maintain complete records of every deposit, withdrawal, wager, winning payoff, and any other debit or credit for each account?				
(i) For systems that use other than voice-only wagering communications technology, produce a printable record of the entire transaction as required by this section and shall not accept any wagering communication or transaction if the printable record system is inoperable? **Regulation 22.145 & Regulation 26C.170**				
108. For pari-mutuel race wagers, does the account wagering system immediately upon accepting an account wager, create an electronic record of the terms of the wager in the off-track pari-mutuel race system? **Regulation 26C.060**				
109. For pari-mutuel race wagers, after the book has made a verbal or electronic inquiry as to the location of the account wagering patron, does the system make a recording of the inquiry process that is retained for at least 60 days? Regulation 26C.070(6)				
110. For pari-mutuel race account wagering, if the system				

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	Pass	Fail	N/A	Comments
is used to assist in complying with Regulations 22.061 & 22.062, does the system function as designed? Regulation 26C.072				
111. For pari-mutuel race account wagering, if a call center is used:				
(a) Does the call center's system record the patron instructions received and transmitted to a licensed Nevada pari-mutuel race book and the date/time instructions are received from a patron for wagers or other account instructions?				
(b) After the call center has made a verbal or electronic inquiry as to the location of the account wagering patron, does the system make a recording of the inquiry process that is retained for at least 60 days?				
(c) Does the call center upon accepting an account wager, create an electronic record of the terms of the wager in the off-track pari-mutuel race system? **Regulation 26C.150(2),** (3)(a), & (4)				
112. For permanent pari-mutuel race wagering, accounts, when a wagering account is established:				
(a) The account wagering system must record and maintain, the patron's:				
(1) Name, permanent home address (other than a post office box number), and home telephone number;				
(2) Mailing address and, if the mailing address is not a post office box number and is a residence or place of business of the patron, the telephone number of the residence or place of business;				
(3) Date of birth, gender, and a description and number of the identity credential provided and social security number, for United States residents only; and				
(4) Method used to verify the patron's identity and residence, and a description, including the document number, of the identity credential provided;				
(b) The account wagering system must record and maintain the patron's acknowledgment of statements attesting that the patron:				
(1) Confirms the accuracy of the information recorded;				
(2) Has received a copy of the book's rules and procedures for wagering communications;				
(3) Has been informed and understands that, with regard to pari-mutuel horse race wagers, a race book licensed to accept off-track pari-mutuel wagers may accept such wagers from patrons only when located within a state or foreign jurisdiction in which the patron resides or in a jurisdiction in which pari-mutuel horse race wagering is legal, and that the state or foreign jurisdiction does not otherwise restrict wagering on accounts located outside its borders; and				
(4) Consents to the monitoring and recording by the board of any wagering communications;				
(c) Upon completion of the application process, the account wagering system must record and maintain the:				
(1) Date the patron's account with the book is				

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	Pass	Fail	N/A	Comments
opened;				
(2) Account wagering number with the book; and				
(3) Approved credit limit or the amount of the patron's initial wagering account deposit;				
(d) The race book shall utilize the services of an independent third party to perform identity, residence, and age verification services with regard to the patron(s) establishing the wagering account. The book shall maintain a record of such verification; and				
(e) The race book shall confirm that the state or foreign jurisdiction in which the patron resides is a jurisdiction in which pari-mutuel horse race wagering is legal and that the state or foreign jurisdiction does not otherwise restrict wagering on accounts located outside its borders, prior to the book accepting wagers on such accounts. The book shall maintain a record of such confirmation. **Regulation 26C.160(4)(a), (b), (c),** (d) & (e)				
113. For temporary pari-mutuel race wagering accounts, if the system is used to document sign-up, does the system record the patron's:				
(a) The patron's name, permanent home address (other than a post office box number), and home telephone number?				
(b) The patron's mailing address and, if the mailing address is not a post office box number and is a residence or place of business of the patron, the telephone number of the resident or place of business?				
(c) The patron's date of birth, a description and number of the identity credential examined and social security number, if available?				
(d) The method used to verify the patron's identity and residence, and a description, including the document number, of the identity credential examined?				
(e) The patron's approved credit limit or the amount of the patron's initial front money deposit?				
(f) The patron's account number with the book?				
(g) The date the patron's account with the book is opened?				
(h) The name of the employee who verified the patron's identity and residence and who obtains and records the information on behalf of the book and the name of the supervising employee who witnessed the signature of the patron? Regulation 26C.160(5)(c), (d) & (e)				
114. Does the account wagering system record the secure personal identification assigned to the patron? **Regulation 26C.160(7)**				
115. If a report is created that calculates the book reserve requirement does it comply with the following: (a) Amounts held by the book for the account of patrons? (b) Amounts accepted by the book as wagers on contingencies whose outcomes have not been determined? and (c) Amounts owed but unpaid by the book on winning				

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	Pass	Fail	N/A	Comments
wagers through the period established by the book for honoring winning wagers? Regulation 26C.050(1)				
116. If the above report is not created, is the information available to separately calculate the reserve? Regulation 26C.050(1)				
TEST OF TRANSACTIONS				
• Have the manufacturer set up three days of races and sporting events. Use current information from at least three racing meets. Sports events should include baseball, football, basketball, hockey and one minor betting sport such as NASCAR or America's Cup. Create future proposition events such as the winner of the World Series or the Super Bowl.				
• Have the manufacturer create parlay cards that will allow the below tests to be performed.				
• Have the manufacturer set up book and accounting employees in the system.				
• Have the manufacturer set the period for purging unpaid tickets at two days.				
• Have the manufacturer set-up a customer's account that has had no activity for some period of time. This will test if supervisory approval is needed.				
• Obtain a copy of the house rules for the β site. Compare rules with pay-tables and set-up.				
• Draft a preliminary results sheet for the above sporting and racing events based on the house rules.				
117. Verify that the times on all components of the system are the same.				
118. Verify that the data base has been cleared of previous transactions. Run reports that would have MTD and YTD totals. These should all show zero balances or no activity.				
119. Verify that the event information in the system is the same as presented to the customer through whatever wagering communications are available.				
120. Open one or more ticket writer stations. If testing for a hub, open stations at multiple locations.				
Note: Not all systems or users will have every one of the following types of wagers. Or, they may have wagers not listed here. Test all types that would be available to book patrons. Not all				

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types of wagers need to be placed in all sports if auditors' judgment deems the system is functioning properly.

	Pass	Fail	N/A	Comments
121. **Football wagers**				
(a) Point line (Straight Bet)				
(b) Total points				
(c) Money line				
(d) Parlay (as many teams as offered, 3 -10 teams)				
1) Straight (Team to team)				
2) Straight (Team to total)				
3) Key to (same as 1 & 2 above)				
4) Round robin (same as 1 & 2 above)				
5) Money line – Total – Point line				
6) Money line with a push/no action (3 – 4 team)				
7) Money line and Point line with a push/no action (3 and 4 team)				
(e) Teaser (6, 6.5, 7 pt) (as many teams as offered, 3 – 10 team)				
(f) Teaser with a push/no action so that the wager will be refunded.				
(g) If bets				
(h) Proposition bet				
(i) Future bet on Super Bowl				
(j) Parlay cards/Teaser Cards (scanned and manual)				
1) Pick less than required				
2) Pick more than allowed				
3) Pick both sides when not allowed				
4) Pick such that a push/no action will cause the wager to be refunded.				
5) Pick so that not all results are known on a single day.				
122. **Basketball wagers**				
(a) Point line (Straight Bet)				
(b) Total points				
(c) Money line				
(d) Parlay (as many teams as offered, 3 -10 teams)				
1) Straight (Team to team)				
2) Straight (Team to total)				
3) Key to (same as 1 & 2 above)				
4) Round robin (same as 1 & 2 above)				
5) Money line – Total points – Point line				
6) Money line with a push/no action (3 – 4 team)				
7) Money line and Point line with a push/no action (3 and 4 team)				
(e) Teaser (4, 4.5, 5 pt) (as many teams as offered, 3 – 10 team)				
(f) Teaser with a push/no action so that the wager will be refunded.				
(g) If bets				
(h) Proposition bet				
(i) Future bet on NBA championship				
(j) Parlay cards/Teaser Cards (scanned and manual)				
1) Pick less than required				
2) Pick more than allowed				

Auditors' Initials and Date

Manufacturer: _____   Review Date(s): _____

System: _____   Auditor(s): _____

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Account #: _____   Project #: _____

	Pass	Fail	N/A	Comments
3) Pick both sides when not allowed				
4) Pick such that a push/no action will cause the wager to be refunded.				
5) Pick so that not all results are known on a single day.				
123. Baseball wagers				
(a) Money line				
1) Team vs. team				
2) Listed pitcher vs. listed pitcher				
3) Team vs. listed pitcher				
4) Off pitcher				
(b) Total points				
1) Game does not go 8.5 innings				
2) Off pitcher				
(c) Run line				
1) Game does not go 8.5 innings				
2) Off pitcher				
(d) Parlay				
1) Straight (team to team)				
2) Straight (team to total)				
3) Straight (team to listed pitcher)				
4) Straight (listed pitcher to total)				
5) Straight (run line to team)				
6) Straight (run line to total)				
7) Straight (run line to listed pitcher)				
8) Round robin (as above)				
9) Key to (as above)				
10) Off pitcher				
11) Straight parlay with push/no action				
12) Cross sport parlay				
(e) Two types of bet on one ticket (straight and parlay)				
(f) Proposition bet				
(g) Future bet on World Series				
124. "Other" sports wagers				
(a) Money line/Match-up				
(b) Proposition bet				
(c) Parlay				
(d) If bet				
(e) Future bet on something like Indy 500.				
(f) Parlay cards				
125. In-House Race wagers				
(a) Win, place, show				
(b) Exacta (box, key to, all)				
(c) Quinella (box, key to, all)				
(d) Daily Double (key to, all)				
(e) Trifecta (box, key to, all)				
(f) Superfecta (box, key to, all)				
(g) Pick 3, 4, 6 (key to, all)				
(h) Parlay win, place, show, cross track				
(i) Future book Kentucky Derby				
(j) Horse Match up wagers				

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	Pass	Fail	N/A	Comments
(k) Proposition wagers				
(l) Parlay card				
(m) In-House Progressive Contest (Twin Q)				
126. Pari-mutuel race wagers Have the manufacturer set up arrangements with the pari-mutuel hub to put their hub in a test mode so that testing may commence.				
(a) Win, place, show				
(b) Exacta (box, key to, all)				
(c) Quinella (box, key to, all)				
(d) Daily Double (key to, all)				
(e) Trifecta (box, key to, all)				
(f) Superfecta (box, key to, all)				
(g) Pick 3, 4, 6 (key to, all)				
(h) Parlay win, place, show cross track				
(i) Future book Kentucky Derby				
(j) Horse match-up wagers				
(k) Proposition wagers				
(l) Parlay card				
127. Pari-mutuel sports wagers Have the manufacturer set up arrangements with the pari-mutuel hub to put their hub in a test mode so that testing may commence. Write tickets for bets that are available in the sports pari-mutuel system(describe them below):				
(a)				
(b)				
(c)				
(d)				
(e)				
128. In conjunction with all of the above:				
(a) Write future tickets				
(b) Cash current tickets				
(c) Cash previous unpaid tickets				
(d) Retain unpaid tickets				
(e) Allow tickets to be purged/dropped				
129. Perform exception type activities (before and after the start of the race or event):				
(a) Void				
(b) Change points spread				
(c) Higher level odds/pool changes (In house progressive contests)				
(d) Change event bet limit				
(e) Over limit wager				
(f) Over limit payouts				
(g) Wagering lock/unlock				
(h) Unpost result errors				
(i) Change event time				
(j) Change system time				
(k) Add employee				
(l) Change employee's access				
(j) Delete employee				

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	Pass	Fail	N/A	Comments
(j) If configurable, have system request password change				
130. Account Wagering:				
(a) Deposit				
(b) Some of the above tickets should be written here				
(c) Withdrawals				
(d) Make adjustments such as purchase Racing Form.				
(e) Place enough wagers to exceed the Board's limit on communications technologies wagers				
(f) Void				
131. Progressive				
(a) Write enough tickets to verify progression				
(b) Cause progressive jackpot to be won				
(c) Verify that base is reset properly				
132. Transact SAM activity:				
(a) Place wagers using cash				
(b) Place wagers using vouchers				
(c) Place wagers using winning tickets				
(d) Place wagers using combination of winning tickets vouchers and cash				
133. If the system is designed to notify the writer that there is a noncash wager that requires a report or log entry, attempt the following:				
(a) Place a noncash cash wager over $10,000. Describe in the Comments column what occurs.				
(b) Place a single noncash wager over $3,000 but under $10,000. Describe in the Comments column what occurs.				
(c) Place multiple noncash wagers less than $3,000 that will aggregate to greater than $3,000. Describe in the Comments column what occurs.				
134. Perform end-of-shift procedures.				
135. Perform end-of-day procedures.				
136. Foot all reports and trace information listed on each individual report to the recap/reconciliation reports.				
137. Foot and cross foot the recap/reconciliation report and verify that all information is accurate.				
138. Foot all tickets written, paid and voided and trace to their respective reports (Write, Paid, Unpaid, Future, Void, etc.).				
139. If the system is a hub for non-pari-mutuel race and sports wagers for multiple properties, verify that account wagers and payouts made via wagering communications are separated by the home casino of the account holder.				
140. Regrade all tickets and confirm to amount branded on				

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	Pass	Fail	N/A	Comments
the ticket (paid tickets) and the amount listed in their respective report (unpaid and paid).				
141. For all pari-mutuel races/events verify the commissions per the daily reconciliation report are calculated correctly.				
142. For at least one day of testing verify that tickets written and paid are being categorized to the correct sport/race track listed on the recap/reconciliation report.				
143. Verify the "exception activity" performed was posted to the exception reports.				
144. Tick mark and tie all reports together to the recap/reconciliation report.				